

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HJR 554**

March 7, 2012

**SUMMARY OF BILL:** Urges the Commissioners of the Department of Finance and Administration and the Department of Health to institute a policy whereby programs do not provide coverage for the emergency contraceptive pill, also known as “Plan B” or “the morning after pill”. If an amendment to the Section 1115 waiver is necessary, the Commissioner is urged to submit an amendment within 60 days of the passage of the resolution to eliminate emergency contraception coverage under the TennCare waiver. If approval by the U. S. Department of Health and Human Services is required to ensure compliance with federal law, the Commissioner of Health is urged to submit the appropriate documents or waiver requests within 60 days of the passage of the resolution to eliminate emergency contraception provided pursuant to Title X of the Public Health Service Act, 42 U.S.C. §§ 300-308.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – The Bureau of TennCare currently spends approximately \$2,800 in state funds and \$25,200 in federal funds for emergency contraception. Any savings realized will be offset by increased costs associated with pregnancies and additional program enrollees.**

**The Department of Health currently receives approximately \$6,547,500 in federal Title X funds. If the Department is found in noncompliance with federal regulations, these funds could be jeopardized.**

Assumptions:

- The fiscal impact assumes that the action urged by this resolution will be implemented and reflects the cost of implementation.
- According to the Bureau of TennCare, annual spending on emergency contraception is approximately \$28,000, of which 10 percent, or \$2,800, is state funded and 90 percent, or \$25,200, is federally funded.
- The potential savings of \$28,000 would be offset by the increased costs of additional pregnancies and increased TennCare enrollment.
- According to the Department of Health, staff has previously discussed a specific clinic not offering emergency contraception with federal staff and it was determined that the clinic would be out of compliance with federal requirements and could not be declared a Title X clinic or provider.

- Limiting the contraceptives offered by the Department could place the Department in noncompliance with Title X regulations which would jeopardize Title X funding in the amount of approximately \$6,547,476.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/kml